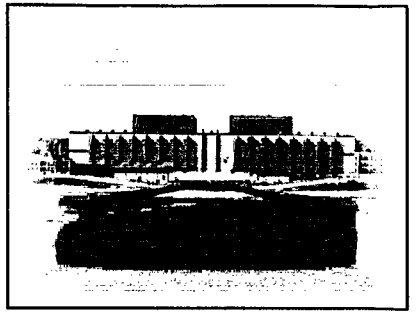

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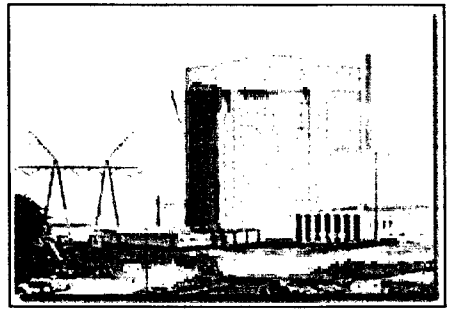


Proposed License Amendment

Palisades Nuclear Plant

February 2, 2006

Proposed License Amendment

Agenda

- Purpose
- Objectives
- Proposed Amendment
- Schedule
- Discussion
- Summary
- Conclusion

Proposed License Amendment

Purpose

- Discuss proposed license amendment request to remove TSP to further reduce the risk associated with the uncertainty of GSI-191 chemical effects until final resolution by December 2007

Objective

- Confirm approach and scope of proposed license amendment

Proposed License Amendment

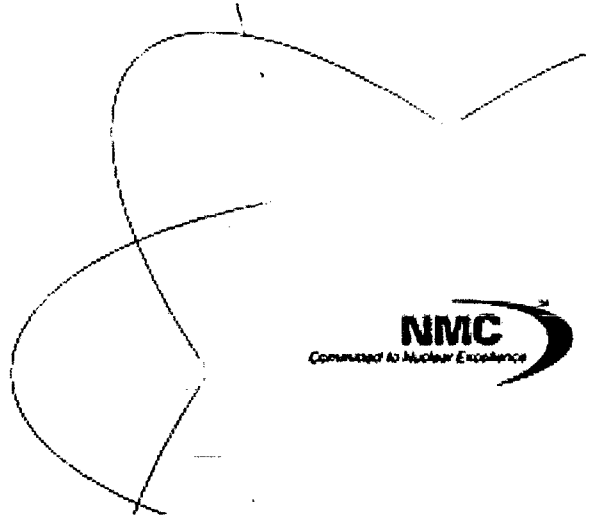
Overview of Discussion

- Design and Licensing Bases
- Impact on Radiological Design Basis Analyses
  - Current licensing basis is TID-14844 methodology
- Technical Specification Change

Proposed License Amendment

Design and Licensing Bases Considerations

- Post-accident sump pH control
  - Retention of radioiodine in sump water/leakage
    - Effectiveness of containment sprays and long-term retention of radioiodine in sump water is dependent on pH
  - Corrosion rates
    - Rates in non-neutral pH solutions are increased
  - Hydrogen generation rates
    - Hydrogen release not risk-significant
  - Equipment Environmental Qualification components
    - On-going evaluations



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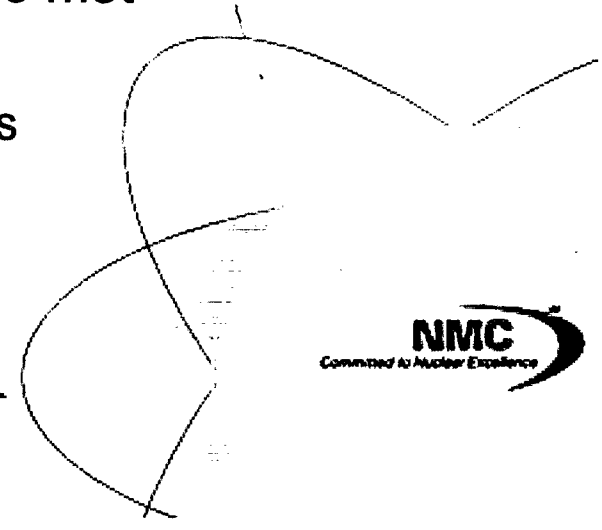
Proposed License Amendment

Impact on Radiological Analyses

- Retention of radioiodine in sump water
  - Spray removal and retention would not be credited due to loss of pH control
- Preliminary analyses indicate
  - 10 CFR 100 limits will be met
    - Predicted dose increases but remain within acceptable limits
  - General Design Criteria (GDC) 19 limits will be met
    - Predicted dose increases but remain within acceptable limits with KI and use of Tracer Gas test results



Proposed License Amendment

Schedule

- Timeline
  - Amendment submittal planned by March 31, 2006
  - TSP to be removed after approval

Proposed License Amendment

Summary

Proposed License Amendment

Conclusion